

Federation Skills Trust

Registered Charity No. 1192334

Report of the Trustees and Unaudited Financial Statements

For the Period Ended

31 December 2022

**Federation Skills Trust Report of the Trustees
For the Period Ended 31 December 2022**

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Federation Skills Trust
Report of the Trustees
For the Year Ended 31 December 2022

Formation

The Federation Skills Trust (FST) was formed and registered as a Charitable Incorporated Organisation (CIO) with the Charity Commission on 13 November 2020 under Part 11 of the Charities Act, and it commenced activities in early 2021. This report covers FST's activities for its second year of operation to 31 December 2022.

Objects

The Objects of FST are the advancement of education by promoting, whether directly through financial or other support, the training and teaching of engineering skills and processes and by encouraging and supporting the development and transference of skills appertaining to the repair, maintenance, preservation and renovation of all types of heritage transport, historic vehicle and machinery.

Our Background

The Federation of British Historic Vehicle Clubs was the first organisation to identify that the skills pertinent to maintaining and renovating historic vehicles, were becoming lost as those engineers who worked on such vehicles when they were new, reached retirement age.

The Federation was a prime mover in the establishment of apprentice training aimed specifically at filling the gap. In 2020 it was realised that the scope of the required skills training, particularly when looking at other types of transport and historic machinery, was becoming a substantial and very important activity. Whilst certain aspects are also very important to the Federation's Members (currently over 500 historic vehicle clubs) some of the training activity is on the fringe, or potentially outside of the Federation's core lobbying and legal activities aimed at ensuring we can all drive yesterday's vehicles on tomorrow's roads. As a direct result FST, a registered charity, was formed.

We know from research undertaken by the FBHVC that there are more historic vehicles on the road (those over 30 years old) than ever before, over 1.5 million and there are more enthusiast owners than ever before. We all need our vehicles maintained and, in some cases renovated or restored. We also know from the FBHVC research and from those involved in the industry that there is already a considerable demand for skilled engineers in the historic vehicle industry and beyond, in other established heritage engineering fields.

Typically, with regard to maintenance, repair and renovation of historic vehicles, businesses are busy but finding qualified skilled engineers remains very difficult. There are few highly regarded trainers in the industry and a key part of FST's strategy to achieve its objects stated above is to help qualified and reputable trainers develop and grow to meet the demand for skills training.

Aims, Objectives and Activities

The Trustees review the aims, objectives and activities of FST each year. During 2022 FST continued to pursue and develop its primary aims and objectives namely:

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- To assist training providers, including the Heritage Skills Agency (HSA), in the development of the ‘Heritage Engineering Technician Apprenticeship Programme’, recruitment of apprentices and acquisition of necessary equipment, by means of advice and financial support;
- To carry out sponsorship and promotional activities to raise awareness among potential employers and potential apprentices for the Heritage Engineering Technician Apprenticeship; and
- To provide financial support to Brooklands Museum in its partnership with the Southern Science & Engineering School and Bourne Education Trust to inspire young people and provide insight into careers with a STEM focus.

By increasing the number of heritage apprentices, the first two of these objectives will boost the numbers of skilled engineers with the ability to work with heritage transport, one of the main objects of FST, and the last of the three objectives mentioned here will further the other main FST object of promoting the teaching and training of engineering skills.

In furtherance of these objectives, during 2022, FST was heavily involved in the increased number of HSA apprentices which had reached 150 at year end and is expected to exceed 200 later in 2023. This increase in numbers was possible due to funds of approximately £60,000 allocated to HSA which has facilities at Bicester Heritage and Brooklands Museum. The purchase of woodworking equipment allowed the syllabus to include wood framing of vehicles as part of the coachwork course. The coachwork course numbers had increased to a point where the single stream capacity was reached, and additional equipment was required to double the capacity within the Brooklands Museum site. FST has funded the additional specialist equipment to the Brooklands Museum which will allow HSA to increase the number of coachwork apprentices. In addition, FST continues to support the heritage engineering sector by making available marketing material about the apprenticeships and the economic effect this can have on restoration businesses.

During 2022 FST has also supported the Brooklands Museum Innovation Academy whose objectives are to promote training and education of historic engineering amongst young people. Grants of £40,000 were made in 2022 to support the teaching of STEM skills through the Brooklands Academy’s partnership with Southern Science & Engineering School and Bourne Education Trust. In March 2023 it was announced that the learning programme developed by the partnership had been shortlisted for the Museum & Heritage awards Learning Programme of the Year and we have now learned that they have won this award. This is a welcome external endorsement for FST of its decision to support the initiative and without the initial funding to second a teacher the project would not have started.

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Accordingly, the Trustees have concluded that the grants and donations made have improved training provision and raised the profile of the historic engineering movement, and are content that FST's aims, objectives and activities remain focused on its stated purposes. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing objectives and in planning future activities and are of the opinion that the activities undertaken during the year provide public benefit in the United Kingdom.

Financial review

At the year-end FST had net assets of £13,990 all relating to unrestricted funds. Because FST does not currently engage in trading activities and does not make ongoing grant commitments, the policy of the trustees is to hold a low level of reserves only to cover administration and professional costs and this level has been set at £10,000.

To date substantially all the donation income of FST has been provided by a single source and the continuation of the funding has been confirmed to FST for at least the next year. The trustees are seeking further sources of funding including through industry networking. Major businesses in the sector have been approached and although no commitments have yet been entered into, discussions are ongoing.

Structure, Governance and Management

The charity is run by the Trustees who hold regular 'online' meetings and also meet in person at the various shows and events held during the year. Trustees are recruited, as necessary, by the existing trustees on the basis of the skills, knowledge and experience required to implement the objectives of the charity and to ensure proper governance and management of the charity in compliance with applicable rules.

Trustees are not remunerated, although they may have their expenses reimbursed when attending events on behalf of the charity.

The following served as trustees during the financial year:

Mr K L Carter

Mr A F R Galashan

Mr J Evans

Mr P C Chasney (resigned since the end of the year)

Mr D D Whale

Mr D J H Cooke (appointed 6 December 2022)

This report was approved by the trustees on 12 July 2023 and signed on their behalf by:

Karl Carter
Karl Carter 10 Oct 13, 2023 17:25 GMT+11

Mr K L Carter – Trustee

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF FEDERATION SKILLS TRUST
ON THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

I report to the trustees on my examination of the accounts of Federation Skills Trust for the year ended 31 December 2022 which are set out on pages 6 to 11.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

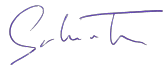
I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Mr Graham John BSc FCA
Chartered Accountant

Young & Co
St Ethelbert House
Ryelands Street
Hereford
HR4 0LA

Oct 16, 2023

.....
Date

FEDERATION SKILLS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds		Total Funds	
		General	Designated	2022	2021
		£	£	£	£
Income	3				
Donations and Legacies		100,300	-	100,300	84,072
Other Activities		50	-	50	293
Total Income		<u>100,350</u>	<u>0</u>	<u>100,350</u>	<u>84,365</u>
Expenditure	4				
Cost of Raising Funds		-	-	0	10,231
Charitable Activities		19,387	100,398	119,785	40,709
Total Expenditure		<u>19,387</u>	<u>100,398</u>	<u>119,785</u>	<u>50,940</u>
Net Income/Expenditure		80,963	-100,398	-19,435	33,425
Transfers		-74,387	74,387	0	0
Total Funds Brought Forward		7,414	26,011	33,425	0
Total Funds Carried Forward		<u><u>13,990</u></u>	<u><u>0</u></u>	<u><u>13,990</u></u>	<u><u>33,425</u></u>

FEDERATION SKILLS TRUST
BALANCE SHEET
AT 31 DECEMBER 2022

	Note	2022	2021
		£	£
Current Assets			
Cash at Bank		15,361	34,686
Prepaid Expenses		279	279
		15,640	34,965
Current Liabilities			
Accrued Expenses		1,650	1,540
Net Current Assets		<u>13,990</u>	<u>33,425</u>
Financed by:			
Funds	8		
Unrestricted Income Funds	General	13,990	7,414
	Designated	0	26,011
Total Charity Funds		<u>13,990</u>	<u>33,425</u>

The notes on pages 7 to 10 form part of these accounts, which were approved by the trustees and authorised for issue on 12 July 2023.

David J H Cooke
David J H Cooke (Oct 15, 2023 13:03 GMT+1)

Mr D Cooke - Trustee

Federation Skills Trust
Notes to the Financial Statements for the Year ended 31 December 2022

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

The Federation Skills Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met and it is probable that the income will be received, and the amount can be measured reliably.

c. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:-

- Costs of raising funds and expenditure on charitable activities together with irrecoverable VAT are charged as a cost against the activity for which the expenditure was incurred.
- Administration costs are allocated between the costs of fund raising and charitable activities on a mixture of a time and costs basis.

d. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

e. Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

f. Creditors and Provisions

Creditors and provisions are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Federation Skills Trust
Notes to the Financial Statements for the Year ended 31 December 2022

g. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

h. Taxation

Under exemptions in Part 11 CTA 2010 the charity is exempt from tax on its profits.

i. Funds

The charity maintains an unrestricted fund consisting of a general fund, which is for use in accordance with the objectives of the company at the Trustees discretion and a designated fund where funds have been set aside for specific purposes.

2. Legal Status

FST is a Charitable Incorporated Organisation (CIO), it does not have a share capital.

FEDERATION SKILLS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

	Unrestricted Funds		Total Funds	
	General	Designated	2022	2021
	£	£	£	£
3 INCOME				
Donations and Legacies				
Donations	100,300	-	100,300	84,072
	<u>100,300</u>	<u>-</u>	<u>100,300</u>	<u>84,072</u>

The Federation Skills Trust benefits from the involvement and enthusiastic support of its volunteers. In accordance with the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in these accounts.

Other Activities

Sundry Income	50	-	50	293
	<u>50</u>	<u>0</u>	<u>50</u>	<u>293</u>

4 EXPENDITURE

Cost of Raising Funds

Shows and Promotional Activities	-	-	0	1,722
Establishment of Trust	-	-	0	8,474
Administration	-	-	0	35
	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,231</u>

Charitable Activities

Shows and Promotional Activities	15,555	-	15,555	11,891
Education, including Grants	600	100,398	100,998	26,340
Professional Charges	1,650	-	1,650	1,420
Administration	1,582	-	1,582	1,058
	<u>19,387</u>	<u>100,398</u>	<u>119,785</u>	<u>40,709</u>

5 STAFF COSTS AND NUMBERS

The company does not employ any staff, nor does it remunerate any trustees in their position as trustee.

Payments to members and officers for expenses, including travel were:

3 trustees	(2021 1 trustee)	972	173
		<u>972</u>	<u>173</u>

6 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current Assets	15,640	-	15,640	34,965
Creditors	-1,650	-	-1,650	-1,540
Net Assets	<u>13,990</u>	<u>0</u>	<u>13,990</u>	<u>33,425</u>

7 MOVEMENT IN FUNDS

Brought Forward	7,414	26,011	33,425	0
Incoming Resources	100,350	-	100,350	84,365
Resources Expended	-19,387	-100,398	-119,785	-50,940
Transfers	-74,387	74,387	0	0
Carried Forward	<u>13,990</u>	<u>0</u>	<u>13,990</u>	<u>33,425</u>

FEDERATION SKILLS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

8 PURPOSES OF FUNDS

	2022			
	General	HSA*	BM**	Total
	£	£	£	£
Brought forward	7,414	6,011	20,000	33,425
Income	100,350	-	0	100,350
Expenditure	-19,387	-60,398	-40,000	-119,785
Transfers	-74,387	54,387	20,000	0
Carried forward	<u>13,990</u>	<u>0</u>	<u>0</u>	<u>13,990</u>

*Heritage Skills Academy (HSA) is a major provider of training services for apprentices heritage skills

** Brooklands Museum for the part funding of a teaching post in conjunction with the strategic partnership the Museum has with the Bourne Education Trust

9 RELATED PARTIES

The Trustees and their families are considered to be related parties; transactions with them during the financial year were:

	2022	2021
Trustees have been paid travel and other expenses as referred to in note 5.	<u>972</u>	<u>173</u>
2022 - 3 Trustees (2021 - 1 Trustee)		

Additionally the financial statements include an accrual for £1,200 in respect of training, bookkeeping and other related support from the wife of one trustee. This amount includes VAT and will be paid to her Chartered Accountant's practice.

FST Accounts 31.12.22 for Signature

Final Audit Report

2023-10-16

Created:	2023-10-13
By:	Barbara Whale (admin@whaleandco.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAMV-k-qIPmpYghFf5qkOqo7IljmpS8aMHY

"FST Accounts 31.12.22 for Signature" History

 Document created by Barbara Whale (admin@whaleandco.co.uk)

2023-10-13 - 16:18:41 GMT- IP address: 109.170.179.206

 Document emailed to kc@federationskillstrust.org for signature

2023-10-13 - 16:19:56 GMT

 Email viewed by kc@federationskillstrust.org

2023-10-13 - 16:23:22 GMT- IP address: 140.248.40.24

 Signer kc@federationskillstrust.org entered name at signing as Karl Carter

2023-10-13 - 16:25:52 GMT- IP address: 86.186.199.140

 Document e-signed by Karl Carter (kc@federationskillstrust.org)

Signature Date: 2023-10-13 - 16:25:54 GMT - Time Source: server- IP address: 86.186.199.140

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2023-10-15 - 11:59:34 GMT- IP address: 104.47.85.126

 Signer dc@federationskillstrust.org entered name at signing as David J H Cooke

2023-10-15 - 12:03:23 GMT- IP address: 86.137.213.71

 Document e-signed by David J H Cooke (dc@federationskillstrust.org)

Signature Date: 2023-10-15 - 12:03:25 GMT - Time Source: server- IP address: 86.137.213.71

 Document emailed to Graham John (graham.john@youngand.co.uk) for signature

2023-10-15 - 12:03:28 GMT

 Email viewed by Graham John (graham.john@youngand.co.uk)

2023-10-15 - 21:54:17 GMT- IP address: 172.226.0.2



Document e-signed by Graham John (graham.john@youngand.co.uk)

Signature Date: 2023-10-16 - 09:56:04 GMT - Time Source: server- IP address: 31.55.98.207



Agreement completed.

2023-10-16 - 09:56:04 GMT



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